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7
8 Attorneys for Defendant
9 Ronald J. Haas

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11 UNITED STATES DISTRICT COURT
12 NORTHERN DISTRICT OF CALIFORNIA
13

14 PROBUILDERS SPECIALTY
15 INSURANCE COMPANY, RRG, a District
16 of Columbia, Risk Retention Group,

17 Plaintiff,

18 vs.

19 VALLEY CORP., B., a California
20 Corporation formerly known as R.J. HAAS
21 CORP.; RONALD J. HAAS, an individual;
22 TY LEVINE, an individual; and KAREN
23 LEVINE, an individual,

24 Defendants.

25 AND RELATED COUNTERCLAIMS
26

CASE NO.: CV10-05533-EJD

STIPULATION AND [PROPOSED]
ORDER FOR LEAVE TO FILE THIRD
PARTY COMPLAINT

27 STIPULATION

28 Plaintiff ProBuilders Specialty Insurance Company ("ProBuilders"), and defendants
Ronald J. Haas ("Haas"), Ty Levine and Karen Levine (collectively the "Levines") stipulate as
follows:

WHEREAS, in the course of investigating this matter counsel for Haas has identified
what he believes are reasonable grounds for claims in this matter against a third party defendant,
Certain Underwriters at Lloyds of London (hereinafter "Lloyds").

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Greenan,
Pepper,
Sallander &
Lally LLP

1 WHEREAS, these claims against Lloyds seek damages for breach of the duty to defend
2 and indemnify Haas in *Levine v. R.J. Haas Corp.*, Santa Clara County Superior Court Case No.
3 07-CV081016. These claims are substantially similar to the claims Haas has asserted against
4 ProBuilders, and by these claims Haas will seek substantially the same damages from Lloyds
5 that Haas seeks from ProBuilders.

6 WHEREAS, it is in the interest of the Court and Haas to litigate the claims more
7 efficiently in this action, in which Haas is asserting substantially similar claims against
8 ProBuilders.

9 WHEREAS, an Order that ProBuilders and Lloyds breached duties to Haas may create
10 claims between ProBuilders and Lloyds for equitable contribution, which could also be most
11 efficiently litigated in one action.

12 WHEREAS, a Third Party Complaint filed against Lloyds will require some additional
13 time for Lloyds to respond to the complaint and conduct discovery.

14 THEREFORE, ProBuilders, Haas and the Levines stipulate that Haas has leave to file the
15 Third Party Complaint attached as Exhibit A to this Stipulation and [Proposed] Order within 5
16 days of filing of the Order of the Court.

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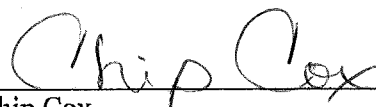
ProBuilders, Haas, the Levines further stipulate that the deadlines for discovery, expert witness discovery, motions and the Pretrial Conference shall be continued as follows:

Expert Disclosure	March 12, 2012
Rebuttal Expert Disclosure	March 26, 2012
Last Day for Hearing on Objection to Expert Disclosure	April 30, 2012
Close of discovery	April 20, 2012
Pretrial Conference	As scheduled by the Court
Last day to file Joint Pretrial Conference Statement	As scheduled by the Court

Dated: September 8, 2011

GREENAN, PEPPER, SALLANDER & LALLY LLP

By:

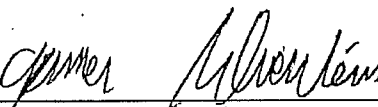


Chip Cox
Counsel for Defendant and Counterclaimant
Ronald J. Haas

Dated: September 2, 2011

YARON & ASSOCIATES

By:



James I. Silverstein
Counsel for Plaintiff and Counterclaim
defendant ProBuilders Specialty
Insurance Company

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Greenan,
Pepper,
Sallander &
Lally LLP

1 Dated: September 9, 2011

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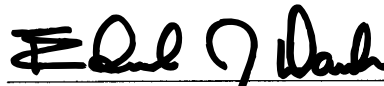
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4 By: 

Kim Dincel

Counsel for Defendant and Counterclaimant Ty
Levine and Karen Levine

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10 PURSUANT TO STIPULATION IT IS SO ORDERED

11 Dated: September 14, 2011



Honorable Edward J. Davila
United States District Judge

Exhibit 'A'

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7 Attorneys for Defendant
8 Ronald J. Haas

9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA

11 PROBUILDERS SPECIALTY
12 INSURANCE COMPANY, RRG, a District
13 of Columbia, Risk Retention Group,

14 Plaintiff,

15 vs.

16 VALLEY CORP., B., a California
17 Corporation formerly known as R.J. HAAS
18 CORP.; RONALD J. HAAS, an individual;
19 TY LEVINE, an individual; and KAREN
20 LEVINE, an individual,

21 Defendants.

22 RONALD J. HAAS, an individual,

23 Third Party Plaintiff

24 v.

25 CERTAIN UNDERWRITERS AT LLOYDS
26 OF LONDON, an underwriting syndicate,

27 Third Party Defendant

28 AND RELATED COUNTERCLAIMS

CASE NO.: CV10-05533-JW

RONALD J. HAAS'
THIRD PARTY COMPLAINT

1 Defendant, Counterclaimant and Third Party Plaintiff Ronald J. Haas alleges as follows:

2 **PARTIES**

3 1. Defendant, Counterclaimant and Third Party Plaintiff Ronald J. Haas (“Haas”) is
4 an individual residing in the State of California.

5 2. Third Party defendant Certain Underwriters at Lloyds of London are identified as
6 Syndicate 2020 in Lloyds Policy No. WUG-000393-2 (hereinafter “Lloyds”). Haas is informed
7 and believes and on that basis alleges that Lloyds is an underwriting syndicate composed of
8 specific, identified individuals who have agreed to and are bound by any decisions against
9 Syndicate 2020 regarding coverage under the Lloyds Policy issued to R.J. Haas Corporation.

10 **JURISDICTION**

11 3. This Court has Supplemental Jurisdiction over this matter under 28 U.S.C.
12 § 1367 (b).

13 **FACTS**

14 4. Certain Underwriters at Lloyds of London identified as Syndicate 2020 issued
15 Policy No. WUG-000393-2 to R.J. Haas Corp. effective August 29, 2005 to August 29, 2006
16 (hereinafter the “Lloyds Policy”).

17 5. At all times relevant to this Third Party Complaint Ronald J. Haas was the
18 President and owner of R.J. Haas Corp., and an insured under the Lloyds Policy.

19 6. The Lloyds Policy provided coverage to R.J. Haas Corp. and Ron Haas for bodily
20 injury or property damage, during the policy period, caused by an occurrence.

21 7. The Lloyds Policy also obligated Lloyds to defend Ron Haas against any suit
22 seeking damages to which the Lloyds Policy applied.

23 8. A construction defect lawsuit case captioned *Levine v. R.J. Haas Corp.*, Santa
24 Clara County Superior Court, Case No. 07-CV081016, regarding the construction of a single-
25 family residence in Saratoga, California was brought against R.J. Haas Corp. and Ron Haas.
26 *Levine* alleged construction defects and property damage to the home arising out of work done
27 by R.J. Haas Corp., and asserted R.J. Haas Corp. and Ron Haas were liable for those damages.

28 ///

10. Lloyds initially defended Haas under the Lloyds Policy, but subsequently withdrew its defense.

11. Lloyds thereafter refused to fund or participate in several reasonable settlement demands in *Levine*, relying on purported coverage defenses under the Lloyds Policy.

12. Haas ultimately suffered a judgment in *Levine*.

WHEREFORE, defendant, counterclaimant and Third Party Complainant Ronald J. Haas prays for judgment against Lloyds as set forth below.

FIRST CLAIM FOR RELIEF

(Breach of Contract/Duty to Defend Against Lloyds)

13. Haas incorporates by reference paragraphs 1 through 12 of this Third Party Complaint as though fully set forth in this first claim for relief.

14. Under the terms and conditions of the Lloyds Policy, Lloyds was obligated to defend Haas for damages covered under the Lloyds Policy.

15. Haas has performed all conditions, covenants and promises required of him under the Lloyds Policy.

16. Lloyds breached the terms and conditions of the Lloyds Policy when it withdrew its defense of Haas in *Levine*.

17. Haas was damaged in an amount to be proven at trial because of Lloyds breach of its duty to defend *Levine*.

WHEREFORE, defendant, counterclaimant and Third Party Complainant Ron Haas prays for judgment against Lloyds as set forth below.

SECOND CLAIM FOR RELIEF

(Breach of Contract/Duty to Indemnify Against Lloyds)

18. Haas incorporates by reference paragraphs 1 through 17 of this Third Party Complaint as though fully set forth in this second claim for relief.

/ / /

19. Under the terms and conditions of the Lloyds Policy, Lloyds was obligated to indemnify Haas for the judgment filed against him in *Levine*.

20. Haas has performed all conditions, covenants and promises required of him under the Lloyds Policy.

21. Lloyds breached the terms and conditions of the Lloyds Policy when it refused to indemnify Haas for the judgment filed against him in *Levine*.

22. Haas was damaged in an amount to be proven at trial because of Lloyds' breach of its duty to indemnify Haas for the judgment filed against him in *Levine*.

WHEREFORE, defendant and counterclaimant Ron Haas prays for judgment against Lloyds as set forth below.

THIRD CLAIM FOR RELIEF

(Bad Faith Against Lloyds)

23. Haas incorporates by reference paragraphs 1 through 22 of this Third Party Complaint as though fully set forth in this third claim for relief.

24. Lloyds had a duty of good faith and fair dealing to protect Haas' right to obtain the benefits of coverage under the Lloyds Policy.

25. Lloyds breached its duty of good faith and fair dealing by unreasonably withdrawing from the defense of *Levine*.

26. Lloyds further breached its duty of good faith and fair dealing by refusing to fund or participate in several reasonable settlement demands in *Levine*, relying on purported coverage defenses under the Lloyds Policy.

27. Haas was damaged in an amount to be proven at trial because of Lloyds breach of its duty of good faith and fair dealing.

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1 WHEREFORE, defendant and counterclaimant Ron Haas prays for judgment against
2 Lloyds as follows:

- 3 1. For compensatory damages in an amount to be proven at trial;
- 4 2. For costs of suit incurred herein; and
- 5 3. For such other and further relief as the Court may deem just and proper.

6 Dated: September __, 2011

GREENAN, PEFFER, SALLANDER & LALLY LLP

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9 By: _____

10 Chip Cox
11 Attorneys for RON HAAS
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